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OFFICE OF PETITIONS

In re Patent No. 5,891,429 :
Issue Date: April 6, 1999 :
Application No. 08/466,308 : ON PETITION
Filed: June 6, 1995 :
Attorney Docket No. 118-6415-US-CNT2 :

This is a decision on the petition under 37 CFR 1.378(b), filed August 5, 2010 and resubmitted March 9, 2011, to accept the unavoidably delayed payment of a maintenance fee for the above-identified patent.

The petition is **DISMISSED**.

If reconsideration of this decision is desired, a petition for reconsideration under 37 CFR 1.378(e) must be filed within **TWO (2) MONTHS** from the mail date of this decision. No extension of this 2-month time limit can be granted under 37 CFR 1.136(a) or (b). **Any such petition for reconsideration must be accompanied by the petition fee of $400 as set forth in 37 CFR 1.17(f)**. The petition for reconsideration should include an exhaustive attempt to provide the lacking item(s) noted below, since, after a decision on the petition for reconsideration, the Director will undertake no further reconsideration or review of the matter.

The patent issued April 6, 1999. The second (7 1/2 year) maintenance fee was due April 6, 2007, and could have been paid from April 6, 2006 through October 6, 2006, or with a surcharge during the period from October 7, 2006 through April 6, 2007. Accordingly, the patent expired at midnight April 6, 2007, for failure to timely submit the second maintenance fee.

A petition to accept the delayed payment of a maintenance fee under 35 USC 41(c) and 37 CFR 1.378(b) must be accompanied by (1) an adequate showing that the delay was unavoidable, since reasonable care was taken to insure that the maintenance fee would be paid timely, (2) payment of the appropriate maintenance fee, unless previously submitted, and (3) payment of the surcharge set forth in 37 CFR 1.20(i)(1). This petition lacks item (1) above.

Petitioner asserts that docketing error was the cause of delay in acting to prevent payment of the maintenance fee(s). A delay resulting from an error (e.g., a docketing error) on the part of an employee in performance of a clerical function may provide the basis for a showing of "unavoidable" delay, provided it shown that: (1) the error was the cause of the delay at issue; (2) there was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance; (3) and the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented to the exercise of due care.

Specifically, petitioner asserts that failure to docket the above-identified patent was the cause of the delay.

An adequate showing requires statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts, as they know them. Petitioner must supply a thorough explanation of the docketing and call up system in use and must identify the type of records kept and the person responsible for the maintenance of the system. This showing must include copies of mail ledger, docket sheets, file-wrappers and such other records as my exist which would substantiate an error in docketing, and include an indication as to why the system failed in this instance to provide adequate notice that a reply was due. Petitioner must also supply information regarding training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

In support of the assertion of docketing error as the cause for the delay petitioner provides, *inter alia* : (1) a declaration of Linda Rothwell (Rothwell); (2) Exhibit 2, which is a brochure for a docketing system name PATTSY, this brochure sets forth the capabilities of the PATTSY system, PATTSY was used until May 2006 to track the maintenance fee(s) due; (3) Exhibit 3, which is a brochure for a docketing software named Memotech, that has been used since May 2006 to track and maintain payment of maintenance fees; (4) Exhibit 4, characterized in the Rothwell declaration as a screen shot from Memotech which indicates the docket reminder was closed on December 19, 2006; (5) Exhibit 5, a page of records management software; and (6) Exhibit 6, which is a copy of a Memotech docket report showing that the status of the instant application is "Live".

The showing of record is inadequate to establish unavoidable delay within the meaning of 37 CFR 1.378(b)(3).

As 35 USC § 41(b) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 USC § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees. Ray v. Lehman, 55 F.3d 606, 609, 34 USPQ2d 1786, 1788 (Fed. Cir. 1995). That is, an adequate showing that the delay in payment of the maintenance fee at issue was "unavoidable" within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken by the responsible party to ensure the timely payment of the maintenance fee for this patent. Id.

However, the record fails to show that adequate steps within the meaning of 37 CFR 1.378(b)(3) were taken by or on behalf of petitioner to schedule or pay the maintenance fee. Petitioner is reminded that 37 CFR 1.378(b)(3) is a validly promulgated regulation, as is the requirement therein for petitioner's showing of the steps taken to pay the fee. Ray, 55 F.3d at 609, 34 USPQ2d at 1788. In the absence of a showing of the steps taken by or on behalf of petitioner, 37 CFR 1.378(b)(3) precludes acceptance of the maintenance fee.

An adequate showing should include (when relevant):

(1) statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts as they know them;
(2) a thorough explanation of the docketing and call up system in use;
(3) identification of the type of records kept;
(4) identification of the persons responsible for the maintenance of the system;
(5) copies of mail ledger, docket sheets, filewrappers and such other records

as may exist which would substantiate an error in docketing;

(6) include an indication as to why the system failed in this instance, and;

(7) information regarding the training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

Specifically, Rothwell asserts in her declaration that she does not recall receiving any instructions to close the maintenance fee reminder for the above identified patent, a notice from the USPTO, an outside law firm or from Memotech that the patent would expire, and that the docket reminder was "likely closed in error, likely as a computer error in the conversion from PATTSY to Memotech."

While the declaration of Rothwell states that she has no recollection of receiving any instructions to close the maintenance fee reminder for the above-identified patent, there is no statement from the party responsible for determining whether or not the maintenance fee should be paid or the party responsible for instructing Rothwell, as to the circumstances surrounding the delay. Statements from these parties are required.

Next, it is noted that the petition refers to two docketing systems by commercial name, *i.e.*, PATTSY and Memotech. However, neither the petition nor declarations set forth a thorough explanation of the docketing system in use at the time the maintenance fee was due.

Petitioner has also failed to provide any copies of mail ledgers, docket sheets, filewrappers and any other records which would substantiate docketing error. The declaration of Rothwell states that exhibit 5 shows no record of instructions to close the docket reminder. However, it is unclear as to what exactly exhibit 5 is or how it would show an instruction to close the docket reminder. It appears as though exhibit 5 only covers the time period from January 1, 2004 through December 31, 2005 and the docket reminder was, according to exhibit 4, closed December 19, 2006. Additionally, exhibit 4 is said to be a screenshot from Memotech, however, while the document mentions PATTSY, nowhere does it mention Memotech. Exhibit 4 also contains: to be done by, executed by, and record created by entry fields, however, none of these fields have a data entry. How is the failure to enter data into these fields the actions of reasonable and prudent person with respect to their most important business? Assuming *arguendo*, that exhibit 4 is a Memotech document and Memotech was not relied upon until May 2006, how does this document have a record created by date of 10 Jan 2006? Furthermore, with respect to exhibit 6, it is unclear as what is meant by the record for the above-identified patent being "Live" as opposed to "Close"? How could Memotech indicate that the above-identifed patent was live if the reminder was closed? If the above-identified patent is live, why did the system fail to generate a reminder? If the system failed to generate a reminder for a live application, how is this a reliable docketing system?

Additionally, the petition does not provide information regarding the training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

Further, Rothwell states that the docket reminder was likely closed as computer error in the conversion from PATTSY to Memotech. Did Novartis Pharmaceutical Corporation have a system in place to check as to whether or not the data transferred from PATTSY to Memotech was transferred accurately?

While petitioner notes that they did not receive any correspondence from the USPTO regarding this patent while it remained in force, petitioner is reminded that a party does not have had a right to personalized notice that this patent would expire if the maintenance fee was not paid, as the publication of the statute was sufficient notice. See Rydeen 749 F.Supp at 907, 16 USPQ2d at 1882. Rather, the ultimate responsibility for keeping track of maintenance fee due dates lies with the patentee, not the USPTO. Id. Since the inception of maintenance fees, the USPTO has maintained that it has no duty to notify patentees when their maintenance fees are due, and that the lack of any USPTO notice will in no way shift the burden of monitoring the time for paying the maintenance fees from the patentee to the USPTO. Further, such lack of notice will not constitute unavoidable delay under the statute. Rydeen, 748 F.Supp at 905, 16 USPQ2d at 1880. Rather, the requirement for notice is only set forth in 35 USC 133 (and § 151), and is not found in 35 USC 41(c)(1) or 37 CFR 1.378(b)(3). Ray, 55 F.3d at 609, 34 USPQ2d at 1788; Rydeen, *supra*.

As authorized the surcharge of $700 and the maintenance fee of $1240 have been charged to the petitioner's deposit account 19-0134.

Further correspondence with respect to this matter should be addressed as follows:

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The centralized facsimile number is (571) 273-8300.

Telephone inquiries regarding this decision should be directed to April M. Wise at (571) 272-1642.

/dab/
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